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PUBLIC UTILITY COMMISSION OF TEXAS

APPLICATION OF
ONCOR ELECTRIC DELIVERY COMPANY LLC, AEP TEXAS INC.,
AND LCRA TRANSMISSION SERVICES CORPORATION
TO AMEND THEIR CERTIFICATES OF CONVENIENCE AND NECESSITY
FOR 345-KV TRANSMISSION LINES IN
PECOS, REEVES, AND WARD COUNTIES, TEXAS
(SAND LAKE TO SOLSTICE AND BAKERSFIELD TO SOLSTICE)

REBUTTAL TESTIMONY
OF THOMAS W. REYNOLDS III, WITNESS FOR
ONCOR ELECTRIC DELIVERY COMPANY & AEP TEXAS INC.

FEBRUARY 6, 2019

CONSOLIDATED SOAH DOCKET NO. 473-19-1265
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REBUTTAL TESTIMONY
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ONCOR ELECTRIC DELIVERY COMPANY & AEP TEXAS INC.

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1 **REBUTTAL TESTIMONY OF THOMAS W. REYNOLDS III**

2 **I. PURPOSE OF REBUTTAL TESTIMONY**

3 Q. ARE YOU THE SAME THOMAS W. REYNOLDS III WHO SUBMITTED DIRECT
4 TESTIMONY ON BEHALF OF ONCOR ELECTRIC DELIVERY COMPANY LLC
5 ("ONCOR") AND AEP TEXAS INC. ("AEP TEXAS") (ONCOR AND AEP TEXAS
6 TOGETHER, "APPLICANTS") IN THIS DOCKET?

7 A. Yes.

8 Q. HAVE YOU REVIEWED THE DIRECT TESTIMONY FILED IN THIS DOCKET
9 BY INTERVENORS AS WELL AS THE COMMENTS AND
10 RECOMMENDATIONS FILED BY THE TEXAS PARKS AND WILDLIFE
11 DEPARTMENT ("TPWD")?

12 A. Yes.

13 Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

14 A. The purpose of my rebuttal testimony is to respond to certain aspects of the
15 testimony filed by intervenors—including COG Operating LLC ("COG");
16 Occidental Permian Ltd, Oxy Delaware Basin, LLC, Oxy USA, Inc., Oxy USA
17 WTP LP, Houndstooth Resources, LLC, and Occidental West Texas Overthrust,
18 Inc. (together, "Oxy"); Plains Marketing, L.P. and Plains Pipeline, L.P. (together,
19 "Plains"); Forrister Generation-Skipping Trust ("Forrister"); and Alan Zeman
20 ("Zeman")—regarding the Applicants' proposed Sand Lake – Solstice 345 kV
21 Transmission Line Project ("Proposed Transmission Line Project"). I also
22 respond to the comments and recommendations of TPWD.

23 **II. OIL AND GAS FACILITIES**

24 Q. MULTIPLE INTERVENORS, INCLUDING COG, OXY, AND PLAINS, DISCUSS
25 THE PROXIMITY OR POTENTIAL PROXIMITY OF OIL AND GAS WELLS,
26 PIPELINES AND OTHER INFRASTRUCTURE TO THE RIGHT-OF-WAY
27 ("ROW") FOR THE PROPOSED TRANSMISSION LINE PROJECT. DOES AEP

1 TEXAS HAVE EXPERIENCE IN DEALING WITH OIL AND GAS FACILITIES
2 NEAR TRANSMISSION LINE RIGHTS-OF-WAY?

3 A. Yes. AEP Texas operates hundreds of miles of transmission lines that run
4 through and near property used for oil and gas exploration, drilling, processing,
5 and transportation, among other activities. It is not uncommon for oil and gas
6 wells to be drilled and pipelines installed in locations near to AEP Texas existing
7 transmission line easements.

8 Q. HOW ARE TRANSMISSION LINES SITUATED WHEN THEY ARE ROUTED IN
9 CLOSE PROXIMITY TO OIL OR GAS PIPELINES?

10 A. Typically new ROW will be generally located adjacent to any existing ROW, but
11 will not overlap it unless a crossing is necessary. AEP Texas attempts to abut its
12 transmission line easements with existing easements when feasible. The
13 easement width typically allows sufficient space between facilities to allow for
14 construction as well as safe operation and maintenance of the Proposed
15 Transmission Line Project.

16 Q. PLAINS EXPRESSES CONCERN REGARDING THE LOCATION OF
17 TRANSMISSION LINE STRUCTURES WITHIN OR NEAR PIPELINE ROW (P.
18 8). HOW DOES AEP TEXAS RESPOND?

19 A. While the final design of the Proposed Transmission Line Project cannot be
20 completed until detailed ground surveys of the approved route (assuming
21 Commission approval) are performed, AEP Texas will not locate structures for
22 the Proposed Transmission Line Project within pipeline ROW. Since AEP Texas
23 has discretion in locating the structures within its ROW, AEP Texas attempts to
24 locate them a reasonable distance from existing facilities to maximize the safe
25 construction, operation and maintenance of the Proposed Transmission Line
26 Project as well as nearby facilities such as pipelines.

27 Q. PLAINS ALSO REQUESTS THAT THE COMMISSION IMPOSE
28 REQUIREMENTS FOR CROSSING PLAINS' PIPELINES (PP. 8-11). HOW
29 DOES AEP TEXAS RESPOND?

1 A. Crossing requirements can vary substantially between pipeline companies on a
2 variety of topics such as notice, equipment and vehicles, to name just a few.
3 Transmission service providers ("TSPs") have experience in coordinating such
4 crossings with pipeline operators. To the extent pipeline operators require a
5 written agreement, it constitutes a contractual arrangement between the parties.
6 It is unnecessary for the Commission to involve itself in this process. The
7 Commission has adopted standard ordering paragraphs that deal with TSPs'
8 interactions with pipelines in modeling alternating current interference with
9 pipeline facilities being paralleled by transmission lines. With respect to pipeline
10 crossings, however, it is customary for TSPs to coordinate crossings directly with
11 pipeline companies. If necessary, TSPs may negotiate crossing agreements that
12 specify the terms and conditions on which the TSP will cross pipeline facilities.
13 AEP Texas coordinates with pipeline companies as a matter of course when
14 constructing new projects affecting pipeline facilities, and the Proposed
15 Transmission Line Project will be no different. Given the sheer number of
16 pipeline crossings by transmission lines and the historical cooperation between
17 TSPs and pipeline companies in successfully achieving safe crossings, there is
18 no reason for the Commission to expand the final ordering paragraph beyond
19 what it already includes in final orders addressing pipeline coordination.

20 Q. OXY EXPRESSES CONCERN THAT ROUTE 320 WOULD BISECT MULTIPLE
21 OXY OIL PRODUCTION AREAS AND CROSS VERY CLOSE TO A LARGE
22 NUMBER OF EXISTING WELLS AND OTHER INFRASTRUCTURE. OXY
23 ALSO NOTED THAT IT IS QUICKLY DEVELOPING ITS OIL AND GAS
24 OPERATIONS IN THE STUDY AREA. HOW ARE UNANTICIPATED
25 OBSTACLES ADDRESSED?

26 A. It is not uncommon for AEP Texas to encounter unanticipated obstacles during
27 on-the-ground surveys following Commission selection of a route. One example
28 of an unanticipated obstacle could be a recently granted pipeline easement, a
29 recently constructed pipeline facility, or a recently drilled well. This situation is
30 not uncommon in areas of rapid development. As the parties and the

1 Commission know, the Permian Basin and Delaware Basin areas of West Texas
2 are experiencing dynamic growth due to oil and gas related activities. Every day,
3 new wells are being drilled and new pipelines are being built throughout this
4 Proposed Transmission Line Project area. Given the fast pace of development, it
5 is very likely that unanticipated obstacles will be encountered during the post-
6 certification process for the Proposed Transmission Line Project—perhaps
7 several times on a given route. AEP Texas has substantial experience in
8 working with landowners, oil and gas companies, and state and local authorities
9 to find workable solutions when such situations are encountered.

10 This pace of growth underscores the need for flexibility in refining the
11 route approved by the Commission to accommodate these types of obstacles
12 encountered in the field following Commission approval. In fact, Oxy and COG
13 both agree that it is reasonable and appropriate to give Applicants the ability to
14 modify the approved route to the minimum extent necessary to avoid engineering
15 constraints encountered during the design and construction of the Proposed
16 Transmission Line Project, consistent with good utility practice. In this particular
17 study area, one approach would be to limit this flexibility to properties that (1)
18 have no habitable structures on them and (2) are primarily used for mineral
19 development. This limited flexibility would help facilitate the timely construction
20 of these facilities while avoiding new construction that will occur by the customers
21 whose growing loads are intended to be served by the Proposed Transmission
22 Line Project.

23 Q. THE DIRECT TESTIMONY OF OXY (P. 5) AND COG (PP. 8-9) EXPRESSES
24 CONCERN REGARDING DISTANCES BETWEEN TRANSMISSION LINES
25 AND OIL AND GAS WELL SITES. HOW DOES AEP TEXAS RESPOND?

26 A. AEP Texas has historically routed, constructed, and operated transmission lines
27 near oil and gas facilities successfully with a mutually acceptable set-back and is
28 willing to continue to work with these companies and surface estate owners to
29 accomplish such for this project as well. The Proposed Transmission Line
30 Project will be located within an appropriately-sized easement. Applicants do not

1 expect their work inside of this ROW will cause any interference with oil and gas
2 well site operations that occur outside of the ROW. Likewise, oil and gas
3 operations that occur outside of this ROW are not expected to interfere with the
4 Proposed Transmission Line Project.

5 Similarly, AEP Texas designs its transmission line clearances to meet or
6 exceed National Electric Safety Code minimum requirements where road
7 crossings occur such that they are generally high enough to allow even heavy
8 equipment such as cranes to safely pass underneath, provided proper safety
9 protocols are followed.

10 Q. OXY EXPRESSES CONCERN REGARDING OUTAGES THAT MAY BE
11 REQUIRED FOR CONSTRUCTION (PP. 5-6). WHAT TYPES OF ELECTRIC
12 FACILITIES MUST BE DE-ENERGIZED IF THE PROPOSED TRANSMISSION
13 LINE PROJECT IS APPROVED?

14 A. Typically, AEP Texas will de-energize high-voltage transmission lines crossed by
15 the Proposed Transmission Line Project during construction but will leave
16 distribution facilities energized. However, while not preferred, AEP Texas has
17 the ability to construct the Proposed Transmission Line Project while both
18 transmission and distribution facilities are energized, if necessary. Specific
19 procedures for de-energizing transmission facilities, if necessary, will be
20 addressed during the construction phase following Commission approval of the
21 Proposed Transmission Line Project and will be coordinated through the Electric
22 Reliability Council of Texas ("ERCOT") clearance process.

23 Q. COG (P. 9) EXPRESSES CONCERN ABOUT ACCESS DURING
24 CONSTRUCTION. HOW DOES AEP TEXAS INTEND TO ADDRESS THESE
25 ISSUES?

26 A. Public roads are used by all and such use will need to be coordinated as
27 necessary. If temporary roads are constructed by AEP Texas as part of its
28 construction access, then such use may be restricted by the temporary road
29 easement grants.

1 **III. ALLEGATIONS REGARDING ELECTROMAGNETIC FIELDS AND**
2 **OTHER EFFECTS OF TRANSMISSION LINES**

3 Q. ZEMAN (P. 7) AND FORRISTER (P. 5) EXPRESS GENERAL CONCERNS
4 REGARDING FEAR OF ELECTROMAGNETIC FIELDS (“EMFs”) PRODUCED
5 BY TRANSMISSION LINES. WHAT IS AEP TEXAS’ RESPONSE TO THESE
6 CONCERNS?

7 A. The Commission has addressed EMF issues in transmission line CCN cases
8 before and has concluded that there is no scientific basis for concerns that EMF
9 can cause adverse health impacts to humans or animals.¹ In addition, AEP
10 Texas complies with the Commission’s rule regarding prudent avoidance to limit
11 exposure to EMF, and it designs its facilities to reduce the electromagnetic field
12 effect that exists close to the transmission line.

13 Q. FORRISTER AND ZEMAN DISCUSS CONCERNS ABOUT ACCESS TO THEIR
14 PRIVATE PROPERTIES. HOW FREQUENTLY DOES AEP TEXAS EXPECT
15 TO HAVE PERSONNEL ON PROPERTIES CROSSED BY THE PROPOSED
16 TRANSMISSION LINE PROJECT FOLLOWING ITS INITIAL CONSTRUCTION?

17 A. Once initial construction is completed, AEP Texas has in place a performance-
18 based evaluation process that includes aerial inspections of its transmission lines
19 twice a year, which is inclusive of easement vegetation evaluation. Depending on
20 what issues are identified by the aerial inspection, on-the-ground inspections will
21 occur and maintenance will follow as necessary. Also, access will occur to
22 address weather-related issues as they occur. Therefore, access to private
23 properties by AEP Texas will be infrequent.

¹ See *Application of LCRA Transmission Services Corporation to Amend its Certificate of Convenience and Necessity (CCN) for a 345-kV Transmission Line in Kendall County, Texas*, Docket No. 29065, Order at FoF 62 (Sept. 26, 2005); see also *Application of AEP Southwestern Electric Power Company for a Certificate of Convenience and Necessity for a Proposed 138-kV Transmission Line in Camp, Franklin, and Wood Counties*, Docket No. 28104, Order at FoF 38 (April 5, 2005); *Application of Central Power and Light Company for a Certificate of Convenience and Necessity for a Proposed Transmission Line in Goliad and Karnes Counties, Texas*, Docket No. 21741, Second Order on Rehearing at FoF 52 (April 25, 2001).

1 IV. **RESPONSE TO TPWD'S LETTER TO MS. KAREN HUBBARD FILED**
2 **WITH THE COMMISSION ON JANUARY 15, 2019**

3 Q. WHAT IS THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY?

4 A. This section of my testimony responds to the comments and recommendations
5 received from the Texas Parks and Wildlife Department (TPWD) which was filed
6 in this proceeding on January 15, 2019.

7 Q. ON PAGE 2 OF THE LETTER, TPWD RECOMMENDS THAT THE
8 COMMISSION REVIEW AND CONSIDER THE AUGUST 1, 2018 TPWD
9 LETTER INCLUDED IN APPENDIX A TO THE ENVIRONMENTAL
10 ASSESSMENT (EA) ATTACHED TO THE APPLICANTS' APPLICATION IN
11 THIS DOCKET. WHAT IS YOUR RESPONSE?

12 A. AEP Texas follows many of the recommendations in the August 1, 2018 letter
13 relating to use of existing right-of-way, avoiding conservation easements,
14 avoiding public recreation areas, avoiding impacts to water resources, avoiding
15 potential impacts to endangered species, and re-vegetation of disturbed areas.

16 Q. TPWD IN ITS LETTER PROVIDES RECOMMENDATIONS IN REGARDS TO
17 ROW CLEARING AND CONSTRUCTION DURING THE GENERAL BIRD
18 NESTING SEASON AND STRUCTURE CONSIDERATIONS TO PROTECT
19 AVIAN SPECIES. WHAT IS YOUR RESPONSE?

20 A. AEP Texas will use best management practices to minimize the potential impact
21 to migratory birds and threatened or endangered species. AEP Texas will follow
22 the procedures to protect raptors and migratory birds as outlined in the
23 publications: *Reducing Avian Collisions with Power Lines: The State of the Art in*
24 *2012*, Edison Electric Institute and Avian Power Line Interaction Commission
25 (APLIC), Washington, D.C. 2012; *Suggested Practices for Avian Protection on*
26 *Power Lines: The State of the Art in 2006*, Edison Electric Institute, APLIC, and
27 the California Energy Commission, Washington, D.C. and Sacramento, CA 2006;
28 and *Avian Protection Plan Guidelines*, APLIC and United States Fish and Wildlife
29 Service, April 2005. AEP Texas will take precautions to avoid disturbing

1 occupied nests and take steps to minimize the impact of construction on
2 migratory birds during the nesting season of the migratory bird species identified
3 in the area of construction.

4 Q. TPWD IN ITS LETTER PROVIDES RECOMMENDATIONS IN REGARDS TO
5 ROW CLEARING AND CONSTRUCTION CONCERNING THREATENED
6 PLANT SPECIES. WHAT IS YOUR RESPONSE TO THE
7 RECOMMENDATION?

8 A. AEP Texas will minimize the amount of flora and fauna disturbed during
9 construction of the transmission line, except to the extent necessary to establish
10 appropriate right-of-way clearance for the transmission line. In addition, AEP
11 Texas will revegetate using native species and consider landowner preferences
12 and wildlife needs in doing so. Furthermore, to the maximum extent practicable,
13 AEP Texas will avoid adverse environmental impacts to sensitive plant and
14 animal species and their habitats as identified by TPWD and the U.S. Fish and
15 Wildlife Service.

16 Q. TPWD'S LETTER RECOMMENDS THAT THE STATE-LISTED SPECIES THAT
17 COULD POTENTIALLY BE ENCOUNTERED IN THE PROJECT AREA
18 SHOULD BE AVOIDED AND PERMITTED TO LEAVE A PROJECT AREA ON
19 THEIR OWN IF ENCOUNTERED. WHAT IS YOUR RESPONSE TO THE
20 RECOMMENDATION?

21 A. AEP Texas will comply with these recommendations to the extent possible,
22 consistent with the need to complete this project in a timely and cost-effective
23 manner.

24 Q. ON PAGES 11-14 OF COMMISSION STAFF WITNESS MR. BAUTISTA'S
25 DIRECT TESTIMONY IN THIS DOCKET, HE RELATES COMMISSION
26 STAFF'S VIEWS OF TPWD'S RECOMMENDATIONS. DO YOU AGREE WITH
27 HIS TESTIMONY?

28 A. Yes. Mr. Bautista testifies that the standard mitigation measures be included in
29 the Order for this CCN application to address the concerns raised by TPWD. Mr.

Bautista also testifies on page 8 of his testimony that Applicants have the resources and procedures in place to accommodate the mitigation recommendations made by TPWD.

V. CONCLUSION

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?


A. Yes, it does.

AFFIDAVIT

STATE OF OKLAHOMA §
COUNTY OF Rogers §
§

BEFORE ME, the undersigned authority, on this day personally appeared Thomas W. Reynolds III who, having been placed under oath by me, did depose as follows:

My name is Thomas W. Reynolds III. I am of legal age and a resident of the State of Oklahoma. The foregoing testimony and exhibit offered by me are true and correct, and the opinions stated therein are, to the best of my knowledge and belief, accurate, true and correct.

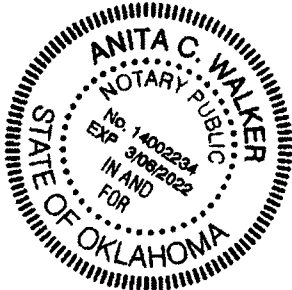

Thomas W. Reynolds III

SUBSCRIBED AND SWORN TO BEFORE ME on this 5th day of February, 2019.


Notary Public, State of Oklahoma

My Commission Expires

March 6, 2022



SOAH Docket No. 473-19-1265
PUC Docket No. 48785

Reynolds – Rebuttal
Oncor & AEP Texas
Sand Lake – Solstice CCN